

6 SEP 1956

TO: CIA Career Council

SUBJECT: CIA Specialist Reserve Program

1. PROBLEM

To establish, by use of the Director's authority, a plan of action for a CIA Civilian Specialist Reserve.

2. ASSUMPTIONS

It is assumed that eventually there will be four types of personnel reserve at CIA as follows:

- a. A unit of the National Defense Executive Reserve (NDER).
- b. A Specialist Reserve (CIASR).
- c. An Agency sponsored military reserve.
- d. Rosters of ex-employees and dependents in the clerical and administrative field.

3. FACTS BEARING ON THE PROBLEM

- a. The Career Council authorized further study of the establishment of a CIA unit of the NDER using Office of Defense Mobilization authority, which is proceeding on the basis of a staff study dated 11 April 1956 to the DD/S from the D/Pers.
- b. This paper is confined to the proposed Specialist Reserve Program which would be based on use of the Director's authority.
- c. The Office of Training has requested the Deputy Director (Support) for authority to select and initiate recruitment of 50 psychologists either as civilian reservists or as military mobilization designees.
- d. The Office of Communications is desirous of initiating a pilot civilian reserve program which will permit the recruiting and training of 100 communications reservists.
- e. The Office of Security has indicated to the Office of Personnel a mobilization requirement at Headquarters of 75 additional investigators and interrogation specialists in civilian status.
- f. The Comptroller has indicated to the Office of Personnel a mobilization requirement at Headquarters of 10 additional fiscal

SUBJECT: CIA Specialist Reserve Program

control officers and 6 additional finance officers in civilian status.

g. The various offices in the DD/I complex have indicated increases in event of mobilization to the Office of Personnel although the nature and extent of these increases have not as yet been identified. In view of Department of Defense policy of limiting utilization of military personnel by the Agency at Headquarters, it is evident that DD/I Headquarters requirements must be met from civilian sources.

4. DISCUSSION

a. Composition of Specialist Reserve

The Specialist Reserve Program herein envisaged would be composed of U.S. citizens possessing occupational skills and qualifications essential to CIA who are not employees of the Federal Government nor members of a reserve component of the Armed Forces of the U.S. By accepting appointment, such individuals would indicate their immediate availability to serve the Agency during any period of national emergency, if called, and to perform such training duty as may be required.

b. Peacetime Value of Reserve

A Specialist Reserve force would have additional value as a list of prospects for permanent employment to replace attritional losses in peacetime. Use could also be made of reservists in peacetime for spot contact purposes and as observers for the Agency when making trips abroad in their normal course of business or pleasure.

c. Director Authority

(1) There are no serious legal complications in the proposed program and ample authority is available to the Director to appoint, contract or otherwise enter into agreement with civilian individuals such as may be necessary to implement the program. It is considered necessary to identify by regulation the differing nature of this form of employment to the permanent, temporary, contract, or consultant types of employment now authorized.

(2) Although authority does not exist to exempt individuals from the various conflict of interest statutes as in the case of the Executive Reservist serving without compensation, there is little likelihood of such conflict in the Specialist Reserve as envisaged.

SUBJECT: CIA Specialist Reserve Program

(3) In the absence of statutory authority there can be no legally binding obligation to serve imposed upon the individual.

d. Terms of Agreement

- (1) Appointment to the Specialist Reserve should be for an indefinite period. Termination should be in accordance with usual Agency procedures.
- (2) Specialist Reservists should be compensated on a graded basis in line with GS scale for their qualifications and planned utilization.
- (3) Per diem in lieu of subsistence and quarters should be paid when away from residence or place of business to participate in the training program.
- (4) Travel should be paid to and from home or place of business and Washington, D. C. or other places for training duty.
- (5) Federal Employees Compensation Act (FECA) and social security benefits should be included.
- (6) The Agency should avoid the administrative burden involved in the accrual of annual and sick leave records and creditable service for retirement.
- (7) Sick leave provisions should not be identified as such, the assumption being that the Agency would pay for excused absences due to sickness during the training period.
- (8) Federal Employees' Group Life Insurance (FEGLI), Agency sponsored insurance, and hospitalization programs should not be extended to the reservists.

e. Training Program

- (1) Handling of security information in a reserve training program, at the same time avoiding compromise of current operations, and providing material of value to the reservist and the Agency is interlocked with the form and organization of the reserve training program. A first premise in avoiding such compromise is that the reserve trainees should not be given on-the-job type training in certain components of the Agency. In other components, on-the-job training is clearly appropriate. Considering these facts in a general sense, a reserve training program appears entirely feasible provided the reservists are handled on a scheduled basis in courses carefully controlled and approved as to course content and that the place of

SUBJECT: CIA Specialist Reserve Program

meeting is selected with full regard for cover insofar as the Agency is concerned and to the possible compromise of the trainee or his possible future use by the Agency.

(2) It is estimated that possibly 95 percent of the reservists would reside within commuting distance. [REDACTED]

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[REDACTED] The use of such offices as meeting places for periodic briefings and seminars as an adjunct to annual training or, in some cases, in lieu of that training, would be highly beneficial and could reduce the cost of training.

f. Estimated Costs

It is difficult to arrive at a firm estimate of the cost of a civilian reserve program until such time as the numbers needed to meet mobilization requirements have been determined. It is believed, however, that a member of the Specialist Reserve could be given a 15-day tour of training duty per year for an average cost of approximately \$550. This figure does not include any estimate for security clearance or administrative and training overhead. A more detailed cost analysis is included below.

COST ESTIMATES PER MAN DIRECTLY CHARGEABLE TO A CIA SPECIALIST RESERVE PROGRAM

| <u>Item</u> | <u>GS-09</u> | <u>GS-13</u> |
|---|--------------|--------------|
| 1. Salary (one two-week period) | \$ 209 | \$ 346 |
| 2. Per Diem (15 days @ \$12) | 180 | 180 |
| 3. Transportation (average should not exceed) | 100 | 100 |
| ESTIMATED TOTAL | \$ 489 | \$ 626 |

g. Administration

From the standpoint of administration of the Specialist Reserve Program, four offices are directly involved. They are the Office of Personnel, the Office of Training, the Office of Security, and the Medical Staff. Each has a specialized function to perform. However, for purposes of coordination and in consonance with CIA Regulation [REDACTED] "Personnel Mobilization Planning," the Director of Personnel should assign available Specialist Reservists to interested offices, on the basis of developed detailed manpower requirements, and administer the budget for the direct cost of the program on a centralized basis. Each office concerned should absorb the indirect costs of clearance, administration, and training.

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SUBJECT: CIA Specialist Reserve Program

h. Estimated Requirements

Firm requirements for a Specialist Reserve cannot be determined until such time as total Agency wartime personnel requirements are determined and identified as military or civilian and commitments are made on the release of key headquarters employees to meet the Agency's overseas requirements. However, based on the estimates received to date, it is believed that a pilot program of 250 reservists is justified at this time.

5. CONCLUSIONS

- a. A Civilian Specialist Reserve Program in CIA is feasible.
- b. The need for such a program can be identified sufficiently to warrant approval of a pilot program.
- c. Based on the estimated requirements identified to date, an appropriate initial membership is approximately 250, the direct cost of which should not exceed \$137,500 per year.
- d. While undergoing training, Specialist Reservists should be compensated on a graded basis in line with the GS scale for their qualifications and planned utilization; paid per diem in lieu of subsistence and quarters; furnished transportation; and be included in FECA and social security benefits. However, they should not be authorized annual and sick leave nor be included in FEGLI, Agency insurance or hospitalization programs.
- e. The Director of Personnel should recruit, appoint, and assign Specialist Reservists to interested offices and administer the budget of the direct cost of the program on a centralized basis, with the indirect costs of clearance, training overhead, and administration being absorbed by the offices concerned.
- f. In any case deemed to be doubtful from a conflict of interest standpoint, the prospective reservist should be considered ineligible for the program.

6. RECOMMENDATIONS

It is recommended that:

- a. A pilot Specialist Reserve Program of 250 be authorized.
- b. Interested offices be authorized to utilize available funds from current appropriations to defray the cost of reservists who may be brought into the program during Fiscal Year 1957.

SUBJECT: CIA Specialist Reserve Program

- c. The Director of Personnel be authorized to budget for the direct cost of the program for Fiscal Year 1958.
- d. Appointment instrument at Tab A and Regulation at Tab B, governing the administration of the program and setting forth the conditions of employment, be approved.

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[REDACTED]
Harrison G. Reynolds
Director of Personnel

Enclosures:

Tab A - Appointment instrument
Tab B - Regulation [REDACTED]

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A P P O I N T M E N T
C E N T R A L I N T E L L I G E N C E A G E N C Y
S P E C I A L I S T R E S E R V E

Date: _____

By virtue of the authority vested in me by the Central Intelligence Agency Act of 1949 [63 Stat. 208, 50 U.S.C. 403 (a) (1949)], I appoint _____ to the grade of GS-____ in the Specialist Reserve of the Central Intelligence Agency.

This appointment is for an indefinite period, subject only to his continued qualification and availability for service with the Central Intelligence Agency in the event of national emergency, and for interim training duty as required.

Members of the Specialist Reserve are subject to the provisions of Agency Specialist Reserve Regulations and are entitled to all rights and benefits provided therein.

(SEAL)

ALLEN W. DULLES
Director of Central Intelligence

By: _____
Director of Personnel

ACCEPTED: _____

DATE: _____

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REGULATION

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[REDACTED] PERSONNEL

CIVILIAN SPECIALIST RESERVE PROGRAM

CONTENTS

| | Page |
|---|-------|
| GENERAL..... | |
| POLICY..... | |
| APPOINTMENT CRITERIA..... | |
| ADMINISTRATIVE FACTORS APPLICABLE TO RESERVISTS..... | |
| RESPONSIBILITIES..... | |
| TERMINATION OF APPOINTMENT..... | |

1. GENERAL

This regulation establishes the Central Intelligence Agency Civilian Specialist Reserve Program as part of the Agency Mobilization Planning Program. Appointment to the Specialist Reserve is based upon the authority vested in the Director of Central Intelligence by the Central Intelligence Agency Act of 1949 (63 Stat. 202, 50 U.S.C. 403(a)(1949)).

2. POLICY

The Specialist Reserve will be composed of persons possessing occupational skills and qualifications essential to the Central Intelligence Agency who are appointed upon their agreement that they will make themselves immediately available, if called to serve the Agency during a period of national emergency, and to perform such preparatory training duty as the Agency may require.

3. APPOINTMENT CRITERIA

In addition to possessing needed skills, candidates for appointment must meet the following criteria:

- a. U. S. citizen;
- b. Not an employee of the Federal Government;
- c. Not a member of a Reserve component of the Armed Forces;

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REGULATION

PERSONNEL

- d. Available for an estimated 15 days of training duty each year;
- e. Available for full time employment in the event of national emergency;
- f. Meet Agency security and medical standards.

4. ADMINISTRATIVE FACTORS APPLICABLE TO RESERVISTS

a. COMPENSATION

Specialist Reservists will receive compensation in accordance with the grades to which appointed. These grades will be based on their duties, responsibilities, and qualifications. All compensation will be subject to withholding of Federal income tax.

b. TRAVEL AND PER DIEM

When away from his place of residence for training duty or in a travel status incident to such duty, Specialist Reservists will receive pay and travel expenses, including commutation of subsistence at a rate not in excess of \$12.00 per diem, in accordance with Agency regulations.

c. LEAVE

Specialist Reservists will not accrue annual or sick leave. However, when on periods of training duty away from their places of residence, they will be excused from actual duty without reduction in compensation, when necessary because of illness or injury.

d. CIVIL SERVICE RETIREMENT

Specialist Reservists are not eligible by reason of their appointments for Civil Service retirement benefits. A Specialist Reservist who has been a Federal Government employee will not be appointed without a break of at least one work day in his Government service.

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[REDACTED] PERSONNEL

e. EMPLOYEE COMPENSATION BENEFITS

Specialist Reservists are entitled to the benefits provided by the Federal Employees' Compensation Act for injuries received while in the performance of their official duties.

f. SOCIAL SECURITY BENEFITS

Specialist Reservists are eligible for Social Security benefits. Old Age and Survivors' Insurance taxes will be withheld from compensation.

g. INSURANCE BENEFITS

Specialist Reservists are not eligible for participation in Federal Employees' Group Life Insurance (FEGLI), Agency sponsored insurance, and hospitalization programs.

h. HATCH ACT AND CONFLICT OF INTEREST STATUTES

Specialist Reservists are subject to the restrictions imposed on Federal employees by the Hatch Act and conflict of interest statutes while they are on training duty.

i. RESPONSIBILITIES

a. The Director of Personnel is responsible for the recruitment, appointment, and assignment of Specialist Reservists. He is also responsible for calling reservists for training duty, or in the event of a national emergency, for full duty with the Agency.

b. Operating Officials are responsible for determining Specialist Reserve requirements of their components and may nominate individuals for appointment by the Director of Personnel.

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PERSONNEL

c. The Specialist Reservist is responsible for notifying the Director of Personnel, by letter addressed to 2430 E Street, N. W., Washington 25, D. C., of any change in his status which might affect his eligibility for continued appointment in the Specialist Reserve.

6. TERMINATION OF APPOINTMENT

a. An appointment to the Specialist Reserve may be terminated if the individual is not available, or does not report for, training duty; if he fails to maintain proficiency in the specialty for which the Agency appointed him; if he cannot maintain availability for full time duty in the event of national emergency, or if he cannot continue to meet Agency security and medical standards. Affiliation with any military reserve component, entry into the Armed Forces, or employment by the Federal Government shall result in immediate termination of appointment. In the event of termination, the individual will be notified in writing by the Director of Personnel.

b. If the Specialist Reservist is called to full time duty with the Agency in the event of a national emergency, his appointment in the Specialist Reserve will be terminated and he will be appointed a staff employee.

c. The individual may resign from the Specialist Reserve upon 30 days' written notice to the Director of Personnel.

ALLEN W. DULLES
Director of Central Intelligence